



Lean Project Team Charter

Project Name:		Implementation of an Audit Confirmation Process for funds disbursed to Towns and Non-Profits.	Dates: Times: Location:	<i>See Agenda</i>
Training and Brainstorming Session:		See agenda	Dates: Times: Location	<i>See Agenda</i>
Daily Update Meetings:		See agenda	Final Presentation:	<i>See Agenda</i>
Team Sponsor:		Nancy Schweizer/BFSS	Champion:	Dennis Thibodeau/BFSS
Key Team Members:		Team Leader(s): Richard Gibilisco/BFSS Team Members: Financial Program Staff: BFSS Nancy Lent, Sue Hawkins, Laurie Valente, and Paul Grochowski. Program Staff: Laurie Gianotti/BOR; Kate Brown/WPLR; Invited Experts to listen and provide input as to future process: ST DEP BFSS Staff Dave Johnson, Randy Michaelson; Staff State DOL WIA Program Unit; State Auditors; DOIT-Sue Maheaux; OPM Municipal Liaison; State Agency; CPA Firms - Blum Shapiro; CCM representative; Non-Profit representative.		
1	Opportunity for Improvement Statement:	<p>State Auditors have cited the DEP with failure to reconcile State Financial Assistance provided to towns and non-profits with the "Schedule of Expenditures" required by State Single Audits for towns and non-profits receiving grants under contract with DEP. DEP disburses approximately \$25 million/year in grants to approximately 120 towns and/or non-profits. The information needed to perform the reconciliation does not exist in a readily available reporting format. There is no formal audit confirmation with towns and/or non-profits on what the DEP has reimbursed to them on an annual FY ended basis.</p>		
2	Project Scope:	<p>This Project covers financial assistance awarded to towns and/or non-profits in the form of grants (55050 CORE-CT Account) for the following sources: State (GF, Bonds, SEP) and Federal (Loans and Grants).</p> <ul style="list-style-type: none"> - Conduct an assessment of all open contracts for grant purposes; specifically review accuracy of information entered onto CORE-CT and correct any discrepancies. - Plan and design an annual audit confirmation process for each open contract with DEP for the State fiscal year ending June 30. - Develop audit confirmations templates to be used in conjunction with reconciliation of Schedule of Expenditures for State Single Audit Reports with towns and /or non-profits. - Coordinate confirmation process with independent auditors hired by towns and /or non-profits. - Prepare SOPs and factsheets (internal and external). Train DEP fiscal and program staff on SOPs. - Conduct outreach to towns and/or non-profits on the new annual audit confirmation process. - Evaluate DEP contract language to ensure grantees aware of the new process. 		

3	Goals (Metrics):	<p>% of issued audit confirmations for all grants for State FY ending June 30, 2011. - Goal - 100%</p> <p>% of returned audit confirmations that DEP subsequently reconciles. - Goal - 2011 - 50%; 2012 - 75%; 2013-100%</p> <p>On an annual basis, Final Accounting of all grant disbursements comparing the Schedule of Expenditures to DEP records (CORE-CT) and Audit Confirmations. - Goal - Annual Report, May 2012.</p>
4	Tools/Deliverables:	Tools/Deliverables Assigned Use: M = Mandatory, R = Recommended NR = Not Required
<i>1</i>	5S Audit Form Office Area / Department Form	
<i>2</i>	5-S Evaluation Form	
<i>3.</i>	5-Why Analysis	
<i>4</i>	6S Survey	
<i>5</i>	CEDAC – Cause and Effect Diagram	
<i>6</i>	Key Performance Indicators (KPIs)	M
<i>7</i>	Lean Skills Matrix	
<i>8</i>	Pareto Chart	
<i>9</i>	Project Implementation Plan Template	M
<i>10</i>	Project PowerPoint Presentation Template	M
<i>11</i>	Spaghetti Diagram	M
<i>12</i>	Standard Worksheet	
<i>13</i>	Swim Lane Diagram	
<i>14</i>	Team Targets Progress Report	
<i>15</i>	Time Observation Sheet	
<i>16</i>	Value Stream Mapping	M
<i>17</i>	Visual References and Controls	M

DEP HR 12/1/2008 – Modified from Leanovations, LLC Version

See reverse for definitions of Tools and Deliverables.

Lean Tools/Deliverables Definitions

1. 5S Audit Form Office Area/Department Form. It is a check sheet that shall be done on a regular basis to ensure that the work everyone has done in implementing the 5S program is maintained over time. 5-S is a process and method for creating and maintaining an organized, clean and high performance workplace. The 5S's are Sort (disposal), Straighten (set in order), Shine (cleanliness), Schedule (standardize), and Sustain (disciplined culture).
2. 5-S Evaluation Form. A form that is used to evaluate the 5-S program in the workplace.
3. 5-Why Analysis. This analysis consists of challenging the conventional status by asking WHY five times to determine the root cause of a problem.
4. 6S Survey. Method of evaluating the implementation of the 6S and will help to increase productivity, reduce defects, make accidents less likely, and reduce costs. The 6S consists of six pillars which are sort (get rid of it); set in order (organize); shine (clean and solve); safety (respect workplace and employee); standardize (make consistent); and, sustain (keep it up).
5. CEDAC - Cause and Effect Diagram. The CEDAC diagram, or "fishbone" diagram, is a tool for determining all the possible causes for a specific effect. It is a problem-solving tool and may point to potential remedies or areas for further evaluation.
6. Key Performance Indicators (KPIs). They are financial and non-financial metrics used to help an organization define and measure progress toward organizational goals, especially toward difficult to quantify knowledge-based processes. Typical metrics include those related to productivity, quality, safety, customer service, inventory, and lead time.
7. Lean Skills Matrix. It is very useful visual management tool that shows at a glance who in an organization has training and experience in various skills.
8. Pareto Chart. It is a graphic display of data shown in order from highest to lowest (frequency, cost, etc.). This chart helps to determine which problem to attack first.
9. Project Implementation Plan Template. The DEP has developed this template for use by Kaizen teams.
10. Project PowerPoint Presentation Template. The DEP has developed this template for use by Kaizen teams.
11. Spaghetti Diagram. A flow charting method that uses a continuous line to trace the path of a part/document through all phases of administrative process and exposes inefficient layouts and large distances traveled between steps.
12. Standard Worksheet. This document is used to ensure adherence to Standard Work in the cell, train operators, display the best known operator/machine combination, and illustrate the sequence of steps for an operator.
13. Swim Lane Diagram. It is used in process flow diagrams that depict what or whom is working on a particular subset of a process. Swim lanes are arranged either horizontally or vertically and are used for grouping the sub-processes according to the responsibilities of those swim lanes. This diagram can clarify not only the steps and who is responsible for each one, but how delays and/or mistakes are most likely to occur in the administrative process.
14. Team Targets Progress Report. Report that documents the progress and results of a team and compares pre-kaizen data to post-kaizen data.
15. Time Observation Sheet. This sheet is used to observe how the work is done, establish/document the lowest repeatable cycle time for a given activity, and identify/document the non-value added activities in a work sequence.
16. Value Stream Mapping. All the activities and steps, both value added and non-value added, required to complete a product or service from beginning to end.
17. Visual References and Controls. Simple signals that provide an immediate understanding of a situation or condition (e.g., labels, signs, floor markings, performance measurements, color coding) and allow individuals to be informed and engaged, providing an ability to analyze the situation and make quick decisions.